

## **NON-CONCURRENCE PROCESS COVER PAGE**

The U.S. Nuclear Regulatory Commission (NRC) strives to establish and maintain an environment that encourages all employees to promptly raise concerns and differing views without fear of reprisal and to promote methods for raising concerns that will enhance a strong safety culture and support the agency's mission.

Employees are expected to discuss their views and concerns with their immediate supervisors on a regular, ongoing basis. If informal discussions do not resolve concerns, employees have various mechanisms for expressing and having their concerns and differing views heard and considered by management.

Management Directive, MD 10.158, "NRC Non-Concurrence Process," describes the Non-Concurrence Process (NCP), <http://nrcweb.nrc.gov:8600/policy/directives/catalog/md10.158.pdf>.

The NCP allows employees to document their differing views and concerns early in the decision-making process, have them responded to (if requested), and attach them to proposed documents moving through the management approval chain to support the decision-making process.

NRC Form 757, "Non-Concurrence Process" is used to document the process.

Section A of the form includes the personal opinions, views, and concerns of a non-concurring NRC employee.

Section B of the form includes the personal opinions and views of the non-concurring employee's immediate supervisor.

Section C of the form includes the agency's evaluation of the concerns and the agency's final position and outcome.

NOTE: Content in Sections A and B reflects personal opinions and views and does not represent official factual representation of the issues, nor official rationale for the agency decision. Section C includes the agency's official position on the facts, issues, and rationale for the final decision.

At the end of the process, the non-concurring employee(s):

- ☐ Concurred
- ☐ Continued to non-concur
- ☒ Agreed with some of the changes to the subject document, but continued to non-concur
- ☐ Requested that the process be discontinued
  
- ☐ The non-concurring employee(s) requested that the record be non-public.
- ☐ The non-concurring employee(s) requested that the record be public.
  
- ☐ This record is non-public and for official use only.
- ☒ This record has been reviewed and approved for public dissemination.



NON-CONCURRENCE PROCESS

RMP 11/27/17  
NCP-2017-014

SECTION A - TO BE COMPLETED BY NON-CONCURRING EMPLOYEE

TITLE OF SUBJECT DOCUMENT

IMC 0611, "Power Reactor Inspection Reports"

ADAMS ACCESSION NO.

ML17122A252

DOCUMENT SIGNER

SIGNER TELEPHONE NO.

TITLE

ORGANIZATION

Division of Inspection and Regional Support

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ON CONCURRENCE

NON-CONCURRING EMPLOYEE'S SUPERVISOR

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I WOULD LIKE MY NON-CONCURRENCE CONSIDERED AND WOULD LIKE A WRITTEN EVALUATION IN SECTION B AND C.

☐

I WOULD LIKE MY NON-CONCURRENCE CONSIDERED, BUT A WRITTEN EVALUATION IN SECTIONS B AND C IS NOT NECESSARY.

WHEN THE PROCESS IS COMPLETE, I WOULD LIKE THE NCP FORM:

☒

PUBLIC

☐

NON-PUBLIC

REASONS FOR THE NON-CONCURRENCE, POTENTIAL IMPACT ON MISSION, AND THE PROPOSED ALTERNATIVES

(use continuation pages or attach Word document)

In SECY-16-0009, "Recommendations Resulting From the Integrated Prioritization and Re-Baselining of Agency Activities", we committed to improvements in the Reactor Oversight Process inspection report writing process. This included creating an improved inspection report that adhered to the principles of good regulation, increase readability by conforming to plain language initiatives, streamline and reduce boilerplate language, and ensure integration into replacement RPS.

When the project was first presented, the focus was to create such a report using the report generator component of Replacement RPS. In the June 2017 timeframe, it became evident to Senior Management that problems with RRPS were such that it was necessary to stop work on the report generator component and focus solely on the main RRPS components. During a counterpart meeting in September, the Technical Support Team Leads and Branch Chiefs learned the streamline report initiative was still slated for January 2018. Because of the amount of work we understood needed to be accomplished in a short period of time, we offered other options for implementation which were turned down.

A Draft Revision 1 of IMC 0611 has been in the review process since June 2017 and as of November 16, 2017 continues to be revised. I am non-concurring on this document because of the state of flux, I have not seen the document that will actually be signed. There are several outstanding issues that either have not been addressed or it is not clear how these issues were addressed. In addition, I believe the new direction on inspection scopes does not meet our value of Openness as the reduced scopes lessen our transparency of operation with the public.

The specifics of my non-concurrence are attached in a Word document.

SIGNATURE

Ann Marie Stone

DATE

11/22/17

## Section A – Reasons for Non-Concurrence and Proposed Alternatives

**General Comment:** My observations and comments resulted from a review of the following documents:

- Draft Revision 1 of IMC 0611 – copy available on November 16, 2017
- Palisades streamlined report – copy available on November 17, 2017
- Template for an inspection report – copy available on November 21, 2017

I recognize these documents continue to be revised; however, it was communicated to me that IMC 0611 would be signed out on November 24, 2017. In fact, I believe the Palisades streamlined report has been stripped of plant information. Therefore, please review the comments related to the Palisades report as related to whatever this document has been changed to.

Considering a final draft has not been made available for review, I present the following concerns:

### **Background information for Concern 1:**

Draft Revision 1 (as of November 16, 2017, ML17150A030) of Inspection Manual Chapter (IMC) 0611, "Power Reactor Inspection Reports," significantly changes communication on inspection sample completion. As written in the proposed Template for an inspection report, the scope of inspections relies on an overarching paragraph placed at the beginning of the inspection report and this paragraph states:

"Inspections were conducted using the appropriate portions of the inspection procedures (IPs) in effect at the beginning of the inspection unless otherwise noted. Currently approved IPs with their attached revision histories are located on the public website at <http://www.nrc.gov/reading-rm/doc-collections/insp-manual/inspection-procedure/index.html>. Samples were declared complete when the IP requirements most appropriate to the inspection activity were met. [Include for integrated report: The inspectors performed plant status activities described in Inspection Manual Chapter (IMC) 2515 Appendix D, "Plant Status" and conducted routine reviews using IP 71152, "Problem Identification and Resolution."] The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel to assess licensee performance and compliance with Commission rules and regulations, license conditions, site procedures, and standards."

Following this paragraph is a listing of inspection procedures, each with a sentence introduction and a listing of the specific sample completed. For example, a typical baseline inspection sample scope is shown below:

#### **"71111.15 - Operability Determinations and Functionality Assessments (2 Samples)**

The inspectors evaluated the following operability determinations and functionality assessments:

- (1) Emergency Diesel Generator Ventilation Fans on September 11, 2013
- (2) Safety Injection Refueling Water Tank (SIRWT) Anchor Ring Cracking on November 11, 2013"



## Section A – Reasons for Non-Concurrence and Proposed Alternatives

**Concern 1:** The proposed scope sections are contrary to the actions taken by the agency to address Recommendation 8b of [Office of Inspector General] OIG-05-A-06 which states: Improve baseline inspection program guidance to include how to document completion and sample sizes in inspection reports.

In OIG-05-A-06 report, “Audit of NRC’s Baseline Inspection Program,” dated December 22, 2004 ([ML05014024](#)), the IG expressed concerns with inconsistent or insufficient documentation to support completion of the inspection program. The IG specifically reviewed the CY 2002 inspection reports associated with 11 sites. It should be noted that during this particular year, guidance for writing inspection reports were contained in [IMC 0610](#)\* where the guidance for documenting inspection scope was minimal.

IMC 0610\* (in effect at the time) Section 05.06.a, “Inspection Scope,” stated: This section includes a list of items or activities inspected in sufficient detail to inform the reader of what was inspected and what criteria were used to determine the acceptability of what was inspected. The scope should be derived from the inspection objectives and requirements sections from the applicable inspection procedure. Generally, inspection criteria include requirements, codes, industry standards and licensee administrative procedures or drawings (or in some cases the inspection procedure). In cases where there are “no significant findings,” additional detail should be provided to inform the reader of the methods of inspection as well as objectives and criteria used. Typical methods are a walk down, an in office review, observation of test from the control room, or participation in an exercise.

One of the reports likely reviewed by the OIG was Braidwood Inspection Report 05000465/2002-002 ([ML020780274](#)) where, consistent with IMC 0610\*, the scope for Inspection Procedure (IP) 71111.23 (Temporary Plant Modifications) consisted of a simple listing of the temporary modifications reviewed and a statement regarding problem identification and resolution work:

### 1R23 Temporary Plant Modifications (71111-23)

#### a. Inspection Scope

The inspectors evaluated the licensee’s installation of the following temporary modifications:

- freeze seal on the essential service water lines associated with the 2B CV pp lube oil coolers; and
- a temporary temperature gauge installed on the spent fuel pool cooling system.

The inspectors also reviewed selected issues that the licensee entered into its corrective action program to verify that identified problems were being entered into the program with the appropriate characterization and significance.

The conclusions of the OIG auditors’ review are found in Appendix D starting on page 55. While the raw data (specific issues) are not included, the report provides the following insight:

“All four regions reported to headquarters that 100% of the ROP3 baseline inspection program was complete for CY 2002. Subsequently, NRC reported to Congress that this performance measure was fully completed at all reactor sites in the CY 2002 inspection

## Section A – Reasons for Non-Concurrence and Proposed Alternatives

cycle. However, NRC inspection program records for the 11 operating nuclear power plants sampled were not sufficient to allow independent verification that all CY 2002 required baseline inspection samples were completed. For example, inspection reports did not always provide sufficient documentation necessary to ensure the intent of the procedures were met. Also, for a number of procedures it was extremely difficult to determine from a review of inspection report documentation that at least the required minimum sample sizes were complete.”

Recommendation 8.b. to the Executive Director for Operations stated: Improve baseline inspection program guidance to include how to document completion and sample sizes in inspection reports.

The agency replied to this recommendation and provided periodic updates. See [ML50270018](#), [ML051880296](#) and [ML052630188](#).

The OIG closed Recommendation 8b based on a revision to IMC 0612 (dated September 30, 2005) [ML052700137](#) and the model report. ([ML052700295](#)). (See also [ML53000041](#) for the Agency’s response),

The September 30, 2005 revision of IMC 0612, Section 06.02 c. was revised to state: “Identify the inspection **objectives and the criteria** that were used to determine whether the licensee is in compliance.”

In the model report, the scope section for Temporary Plant Modifications was revised to state:

### 1R23 Temporary Plant Modifications (71111-23)

#### a. Inspection Scope

The inspectors reviewed the two temporary modifications listed below and the associated 10 CFR 50.59 screening, and compared each against the UFSAR and TS to verify that the modification did not affect operability or availability of the affected system. The inspectors walked down each modification to ensure that it was installed in accordance with the modification documents and reviewed post-installation and removal testing to verify that the actual impact on permanent systems was adequately verified by the tests.

- TACF 1-04-0019-067, Leak Repair of Tube Leak on 1A Spent Fuel Pump/Thermal Barrier Booster Pump Area Cooler
- TACF 0-04-026-032, Temporary Compressor for Station Control and Service Air

This is what the OIG accepted to resolve their concern of appropriate documentation to support our reporting completion of the ROP to Congress.

In Section 16.06.b.1(c) of the current IMC 0612 (dated May 6, 2016) and in Section 15.06.b.1(c) of the approved IMC 0611 (approved on May 3, 2017 with an effective date of January 1, 2018) requires the inspector “to identify the inspection objectives and the criteria that were used to determine whether the licensee was in compliance.” This language had not changed over the years since the OIG audit.

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The Draft Revision 1 strips the scope section back to the version present in 2002 – before the OIG audit. While the proposed scope section clearly identifies the exact sample that was completed, it does not communicate the inspection activities completed to ensure adequate completion of the sample.

In addition, use of a single sentence with bullets of the specific activity inspected to define the inspectors' activities is insufficient and could be misleading. The opening statement in the summary states, "Samples were declared complete when the IP requirements most appropriate to the inspection activity were met." This mirrors IMC 2515, Section 08.04, Completion of Inspection Procedures, which states: "The baseline inspection procedures represent the inspection necessary to allow the NRC to assess performance. This means that **the inspector is to perform the requirements most appropriate to the activity being inspected** in order to declare an activity (sample) as being satisfactorily completed."

By stating a single summary sentence with a specific activity observed, it is not clear to the public which of the required inspection activities were performed. For example:

- IP 71111.07, Section 02.01 states: "Select one or two heat exchangers and/or heat sink sample(s) to verify the readiness and availability. The readiness and availability of the sample of heat exchanger(s)/heat sink(s) **shall** be verified by performance of **one of the items, a. through d.**, listed below. **Items e. and f. shall be performed** as additional assurance of the heat exchanger(s) operability or functionality."
- The template for an inspection report includes the following in the scope section:

### 71111.07 - Heat Sink Performance

#### Heat Sink (# Sample(s))

The inspectors evaluated *[List exchanger/sink]* performance on *[date]*.

The scope above does not communicate to the public nor to other inspectors which of the requirements (one of a-d and e and f) were completed. Not documenting this information could impact the effectiveness of the triennial inspection as well as the annual inspection – that is, are the inspectors looking at the same attribute, "b" for example, and not assessing the others?

The use of a brief statement diminishes our transparency with the public as defined in our value of Openness.

**Summary of Concern 1:** Section 14.06, "Inspection Scopes" of the proposed IMC 0611 reverts back to the scopes presented in 2002 – providing no information on objectives and criteria used to define the sample or determine compliance. This appears to be contrary to the actions taken by the agency to address Recommendation 8b of OIG-05-A-06. Please provide an explanation on how the proposed change meets the intent of the OIG concern. Please provide an explanation how the proposed scope sections communicate which inspection requirements were met to ensure completion of a sample or why it is not necessary to communicate this information.

**Background Information for Concern 2:**

On June 8, 2017, the Regions and other internal stakeholders received an email through Bridget Curran, the Inspection Manual Coordinator, to provide comments on the then draft copy of IMC 0611. Comments were due on August 21, 2017. The package number for this proposed change (DC 17-010) was ML17164A263. This package included IMC 0611, Exhibit 1 (outline) and Exhibit 2 (Documentation Matrix).

On October 19, 2017, a weekly/biweekly meeting was established for the roll out of IMC 0611. The purpose of the series of meetings was to discuss the contents of the draft IMC 0611, and the conversion of previously written IRs demonstrating Quarterly, PI&R, DBAI, and Supplemental (95001) from excerpts of selected reports (Millstone, Beaver Valley, Palisades, Saint Lucie and Braidwood) including examples of Findings, NCVs, URIs, LER closeout and NOEDs all captured in [Examples \(Drafts\)\(ML17271A100\)](#).

The following schedule was set for the team:

- 10/19/2017 – First team meeting
- 10/20/2017 – Consider public comments
- 10/26/2017 – Second Team Meeting for Feedback, Disposition and final alignment on team comments
- 11/6/2017 – Begin process for 0611 Issuance
- 11/17/2017 – Presentation for counterparts

**Concern 2:** An implementation date of January 1, 2018 is not realistic because Draft Revision 1 and the supporting documents are not ready for distribution and use for the following reasons:

1. At the time of the official review period (June 8 – August 21, 2017, ML17164A263), the template and example report were not ready for review. We reviewed a draft document without the documents showing the intent of the changes. When the template and example reports were provided for review, the Working Group identified additional concerns which resulted in changes to Draft Revision 1 outside of the official review period (June 8 – August 21).
  - a. The Regions and other agency stakeholders are not being provided an opportunity to perform review on the final draft. IMC 0040, “Preparing, Revising, and Issuing Documents for the NRC Inspection Manual,” dated December 19, 2016, states in Section 06.04.c. that the Regions and other Offices are to be sent final drafts for review and comments. Considering the number of changes made since August 21 and continuing to be made to this document, an opportunity to review the final draft should be afforded to the Regions and other Offices.
  - b. As stated above, many changes have been made to the document sent on June 8, 2017 (the original draft revision 1). It is unclear how issues identified and communicated during working group meetings or sent through emails are being captured and resolved such that the Comment Resolution form reflects decisions made to address the issues.
2. Several discrepancies exist between Draft Revision 1 and the template/example reports.

To ensure proper context for this section, on September 20, 2017, I sent an email to key NRR personnel stating that with the initiation of RRPS, I would not be able to review any of

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the supporting documents (revised streamlined reports) prior to November. I provided the Template to all of the Reactor Branch Chiefs and several inspectors in Region III for their review/comments. When I had freed up time, I reviewed what I could and sent in comments as I identified them. I also identified other examples of issues I believed were necessary to reflect real life situations. Although several issues have been resolved, several have not. The issues below are those from Region III that I categorized as issues with unknown or unconfirmed resolution and those identified during preparation of my non-concurrence. I did not include issues identified by other Regions since I have not followed their resolution.

I also believe that all involved personnel are working hard to resolve the issues.

All of the comments below are in reference to Draft Revision 1 available on November 16, 2017.

### a. **Issues with unknown or unconfirmed resolution:**

1. Section 0611-11 – describes the closure of Licensee Event Reports. At the bottom of the section, it states, “Any findings and violations identified during the LER review, including violations which are minor, must be dispositioned in the report.” During my review of the Palisades streamlined report, I commented that the streamlined report was missing the minor violation. At last check, the violation was not included. It is not clear whether NRR intends to revise the Palisades streamlined report to include the minor violation or revise IMC 0611. If a revision of IMC 0611 is selected, this needs to be discussed with the Office of Enforcement and the Regional contacts.
2. Section 0611-12 – describes minor violations and how these are to be documented in the scope section of the inspection report. It also states observations are to be placed in the Results section of the report. During a discussion with the responsible NRR Branch Chief, I noted that I would interpret minor violations as observations and place the minor violations in the Results sections (my preferred location). He stated he would talk to the program owner and resolve this. Draft IMC 0611 Exhibit 2 will also need to be changed to reflect minor violations documented in (1) observation section (if decided) or (2) in a separate box specific to minor violations (3) or kept in the Scope section (explanation on why will be needed). It is not clear on how this was resolved.
3. Section 13.02 – acknowledges inspections that are non-routine. Temporary Instructions are common and the inspectors need to know how to document both the scope and results of the inspection. The translation of a temporary instruction write up from the existing format to the new format in the Palisades streamline report was confusing as the issue was actually placed in an Inspection Procedure and not in the Temporary Instruction section. While there was agreement to modify this section, this revision is needed prior to implementation. The resolution may or may not impact Draft Revision 1....(1) document the findings under the heading of the TI and the rest of the TI observation or required documentation under an Observation box – no change to IMC 0611; or (2) create a new box specifically for Temporary Instructions – change to IMC 0611.
4. Section 14.03.b – describes the summary paragraph for each finding/violation. I identified a concern with respect to the shortened statement and its impact on the Plant Issue Matrix. Specifically, the shortened summary of findings information decreases search function for RRPS report IR 3-4. This impacts our ability to



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perform some searches. For example, to support NOT removing one of the more than minor questions, I performed a search in the PIM for “if left uncorrected.” Using the current PIM information, this search resulted in meaningful information for assessment. Using the proposed wording for the PIM (Introduction Section), nothing will be displayed because this information is NOT located in the “description” field. An agreement was reached which impacted IMC 0306 and did not impact IMC 0611. However, it is not clear on whether this change to IMC 0306 will be timely with the implementation of IMC 0611. It was not clear whether interim guidance will be provided to the Regions to address the shortened summary section and the need to place additional information in RRPS to ensure acceptable PIM entries. This solution is currently not in the training planned for the December Counterpart meeting.

5. Section 14.03.c – describes additional tracking items. During a working group meeting on November 16, it was agreed that this table would include temporary instructions, Confirmatory Order, or Deviation actions. I understand a change was made to Section 14.03.c of Draft Revision 1; however a change is needed to Section 07.01 and the Palisades streamlined report.
6. Section 14.06.a – provides a general statement regarding inspection scopes. The inspector is to include the following statement, “Inspections were conducted using the appropriate portions of **the inspection procedures (IPs)** in effect at the beginning of the inspection unless otherwise noted.” In an email in which I attached a proposed revision on how to handle triennial engineering inspections, I commented that the scope section title needed to be the actual inspection procedure title to align with the statement above. In other words, we should not make up a procedure that doesn’t exist. For example, IP 71111.05 does not exist. IPs 71111.05AQ, 05XT, and 05T exist and should be used in the same manner as other inspection procedures (for consistency). It is not clear whether a change will be made to the template, Exhibit 1 and Palisades streamlined report or if an explanation on the acceptability of this inconsistency will be provided in the appropriate Comment Resolution document.
7. Section 14.06 b describes a typical scope section which includes a brief statement and the actual activity observed. In the draft Dresden Streamlined Design Bases report, the scope section contains the components and attributes. Each of these are counted as a sample. In my comments on this report, I queried how were we to handle inspection activities that are not considered samples, yet important to document. For example, in IP 71111.21M, the team reviews previous NCVs and lists them in the inspection report. Since these NCVs were already reviewed, the Problem Identification and Resolution team would not need to duplicate this inspection. It is not clear if this comment (to include a scope section for this activity) was accepted and if not, why not.
8. Section 14.06.b provides an example of a typical scope section for a complete sample. Currently, only a training slide provides information on how to document a partial sample – either upfront or completing a partial sample. Guidance needs to be placed in IMC 0611. Such guidance was not necessary in IMC 0612 because the inspector documented the specific activities performed during that time period. It is not clear how this issue was resolved from an IMC 0611 perspective.
9. Section 14.06.c describes the use of Graphics. It is located in the Scope section of the instruction. Since the graphics will likely be used in the description of an issue

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(finding/violation/unresolved item), the instruction of using a graphic should be placed in the Results section.

10. The current version of IMC 0612 requires the inspector to document issues in the order of importance. The proposed version of IMC 0611 states to “organize the tabled information documented using section 0611-05 to align with the inspection scopes.” It further states to follow -07, -08, and -11 afterwards. There is no mention of importance. This results in the following order of items documented (regardless of significance):

Table 1 – Finding without Violation (FIN)

Table 2 – Finding with Violation

Table 3 – Traditional Enforcement Violation

Table 4 – Finding with Traditional Enforcement Violation

Table 5 – Open Unresolved Item

Table 6 – Closed Unresolved Item – No Finding or Violation Documented using Section 0611-05

Table 7 – Discussed Item

Table 8 – Licensee Identified Violation

Table 9 – Enforcement Discretion

Table 10 – Observation

I recommended re-adding the statement “Present the findings and violations within each report section in order of importance.” Then the program office can establish to follow Tables 5 – 10 in any preferred order.

11. Section 14.07 states that if no findings or violations were identified, the report will state “No findings were identified” in the inspection Results section. In the draft Dresden Streamlined Design Bases report, the Results section was removed. It is not clear if the Results section was over looked (modify the draft streamlined report) or if the Results section was intentionally removed (modify IMC 0611).
12. Inspection Samples as defined in the Template report are not consistent with the titles in the inspection procedure and/or with the titles in RRPS. I presented 2 examples and communicated I did not have time/resources to confirm all of the sample names. For example:

	Sample Name		
Procedure	Proposed report	IP	RRPS
71111.04	Partial Walkdown	Partial Walkdown	Equipment Alignment
71111.05	(02.01) Fire Areas	(02.01) Quarterly Inspection	(02.01) Quarterly Inspection

Although I believe a solution was reached, it is not clear how this was captured nor the timeline to correct the discrepancies. It is also not clear if anyone continued my review to identify other instances.

13. Performance Indicators are reviewed by several inspectors. The data range reviewed by the inspectors vary. Currently in the Palisades streamlined report, a single date range is provided for all of the performance indicators. During a working group meeting, the need to use different date ranges for each performance indicator

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was discussed; however, it is not clear how this was addressed. (Based on the report being used in the December training, this issue has not been addressed.)

### b. **New items:**

1. Section 04.01 states inspection reports consist of “a cover letter, a summary, inspection details, and supplemental information.” The use of “inspection details and supplemental information” is a holdover from IMC 0612. This new format does not use this terminology. IMC 0611 will need to be revised.
2. Section 14.07 states, “Organize the tabled information documented using section [0611-05](#) to align with the inspection scopes. If no findings or violations were identified state “No findings were identified.”

Section 0611-05 includes four tables, three of which involve findings. However, Table 3 provides the structure for documenting traditional enforcement violations, with no findings. The statement should be “No findings **or violations** were identified.”

3. Section 14.07 states, “Organize the tabled information documented using section [0611-05](#) to align with the inspection scopes. If no findings or violations were identified state “No findings were identified.” Next organize the remainder of the tabled information documented using sections [0611-07](#), [0611-08](#), and [0611-11](#) to align with the order of the inspection scopes.”

The paragraph is confusing as it is not clear whether the inspector is to list every scope section and place “No findings or violations were identified” under each one where this statement is applicable or just for the scope sections where issues were identified. Clarifying statements are needed.

In addition, in the Palisades streamline report, Section 71124.02 contains only an Unresolved Item. The statement, “No findings or violations were identified,” needs to be added.

4. Section 14.07 states, “Organize the tabled information documented using section [0611-05](#) to align with the inspection scopes. If no findings or violations were identified state “No findings were identified.” Next organize the remainder of the tabled information documented using sections [0611-07](#), [0611-08](#), and [0611-11](#) to align with the order of the inspection scopes.”

In Section 71152 of the Palisades streamlined report, the items are not listed in the order described above, nor are they listed in the order of importance. This needs to be fixed to show inspectors the proper presentation of issues.

5. It is not clear if we have considered unintended consequences of separating the scopes from the result section. For example, documenting issues immediately following the scopes (as we do now), enables a reader to clearly see the connection between what was inspected and what was found. With the proposed, the reader will read the list of scopes and not be aware of any issues until reaching the Results section. Separating the scope from the results is not a resource saving action. And lastly, in the Palisades streamlined report, two observations are documented and it is

## Section A – Reasons for Non-Concurrence and Proposed Alternatives

not clear whether the observations are related to the semi-annual trend review or annual sample review.

6. Draft IMC 0611, Exhibit 1 and Draft Revision 1 Section 14.09 and 14.10 all state the list of documents reviewed appear before the acknowledgement of third party reviews. The Template documents the third party reviews prior to the list of documents reviewed. I believe IMC 0611 needs to be revised.

**Summary of Concern 2:** Draft Revision 1 had experienced several changes/revisions since the draft was originally provided to the Regions and Offices in June 2017. In addition, there are numerous outstanding issues that need to be addressed and communicated back to the originators. Because of the number of changes and outstanding issues, please re-enter the formal review process to allow the Regions and Offices a chance to review the true final draft of IMC 0611. An accelerated review period of 7-14 days would be acceptable.

Once the staff is confident that template and streamlined report samples are in accordance with IMC 0611, please submit these for formal review. The Regions need an accurate template in order to create specific templates to use.

In addition, the proposed training for the December Counterpart meeting currently focuses on why the change is being proposed and what the change looks like. The training does not capture implementation/transitional changes from IMC 0612 to IMC 0611. I plan to provide recommended slides on Tuesday, November 28 to address this concern.

Although I do not personally agree with the need to perturb the inspection writing process at this time (other options were available to support the report generator component) and expose 500 or so inspectors, Branch Chiefs, and administrative staff to these proposed changes, I do believe we need to provide them with correct/accurate guidance and examples to ensure consistency in our final products. Inspection Reports are important communication documents.



## NON-CONCURRENCE PROCESS

NCP-2017-014

## SECTION B - TO BE COMPLETED BY NON-CONCURRING EMPLOYEE'S SUPERVISOR

TITLE OF SUBJECT DOCUMENT

IMC 0611, "Power Reactor Inspection Reports"

ADAMS ACCESSION NO.

ML17122A252

NAME

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ORGANIZATION

Division of Reactor Projects, Region III

COMMENTS FOR THE NCP REVIEWER TO CONSIDER (use continuation pages or attach Word document)

I agree with the concerns expressed by Ms. Stone in Concerns 1 and 2.

Specifically, with respect to Concern 1, the proposed guidance within IMC 0611 should be developed with careful consideration of the commitments and actions implemented in response to OIG -05-A-06, Recommendation 8.b, along with a corresponding basis for the change to ensure a clear understanding of the basis for the changes and assurance of inspection program completion. The staff should also consider outreach to the OIG to ensure awareness of the revised guidance and purpose of planned actions.

With respect to Concern 2, the final draft revision of IMC 0611, should be distributed to all involved staff for final review and understanding of how previous comments and concerns were addressed, prior to final document issuance. This approach will ensure a more effective transition from current documentation requirements and provide clarity in inspection report documentation.

SIGNATURE

DATE

11/29/17

<b>NRC FORM 757</b> <small>NRC MD 10.158 (11-2016)</small>		<b>U. S. NUCLEAR REGULATORY COMMISSION</b>		<b>NCP TRACKING NUMBER</b>  NCP-2017-014	
<b>NON-CONCURRENCE PROCESS</b>					
<b>SECTION C - TO BE COMPLETED BY NCP COORDINATOR</b>					
<b>TITLE OF SUBJECT DOCUMENT</b> IMC 0611 "Power Reactor Inspection Reports"				<b>ADAMS ACCESSION NO.</b> ML17158A030 <i>ML Dec 18, 2017</i>	
<b>NAME</b> Mary Anderson					
<b>TITLE</b> NCP Coordinator				<b>TELEPHONE NUMBER</b> N/A	
<b>ORGANIZATION</b> NRR/DIRS/IRAB					
<b>AGREED UPON SUMMARY OF ISSUES (use continuation pages or attach Word document)</b> <p>Concern 1: With regard to scopes, by stating a single summary sentence with a specific activity observed, it is not clear to the public which of the required inspection activities were performed.</p> <p>a. Provide an explanation on how the proposed change meets the intent of the OIG concern.</p> <p>b. Please provide an explanation how the proposed scope sections communicate which inspection requirements were met to ensure completion of a sample or why it is not necessary to communicate this information.</p> <p>Summary of Concern 2: Numerous comments</p> <p>1. Proposed accelerated re-issue and review of IMC 0611 (with resolution to the documented comments).</p> <p>2. Once the staff is confident that template and streamlined report samples are in accordance with IMC 0611, please submit these for formal review to ensure consistency in our final products.</p>					
<b>EVALUATION OF NON-CONCURRENCE AND RATIONALE FOR DECISION (use continuation pages or attach Word document)</b> See attached word document titled: <b>Section C response_v5_MK (004).docx</b> <b>ACCESSION NO. ML17347B629</b>					
<b>TYPED NAME OF NCP COORDINATOR</b> Mary Anderson			<b>TITLE</b> Reactor Operations Engineer		
<b>ORGANIZATION</b> NRR/DIRS/IRAB					
<b>SIGNATURE--NCP COORDINATOR</b> <b>Mary Anderson</b>				<b>DATE</b> 08DEC17	
<b>TYPED NAME OF NCP APPROVER</b> Mike King			<b>TITLE</b> DIRS Deputy Director		
<b>ORGANIZATION</b> NRR/DIRS					
<b>SIGNATURE--NCP APPROVER</b> <b>Michael F. King</b>				Digitally signed by Michael F. King Date: 2017.12.13 18:41:52 -05'00'	
				<b>DATE</b>	



## Concern 1

NCP-2017-014 listed the ADAMS Accession Number for OIG-05-A-06 report, "Audit of NRC's Baseline Inspection Program," dated December 22, 2004. The ADAMS accession number is ML050140424. The ADAMS Accession package number for the OIG report is [ML052930099](#).

By memo dated December 1, 2005, (ADAMS Accession Number [ML060930701](#)) Stephen D. Dingbaum, Assistant Inspector General for Audits, stated recommendation 8b was closed based on the Agency commitment to revise inspection manual chapter (IMC) 0612 to require documenting in inspection reports what was inspected and how many samples were inspected. The staff issued the revision to IMC 0612 satisfying recommendation 8b on September 30, 2005 (Change Notice 05-028) [\[ML052730498\]](#). The September 30, 2005 revision of IMC 0612, Section 06.02, "Inspection Scopes", subsection b was revised to state, "Identify what was inspected. Include sufficient detail on which and how many samples were inspected." Subsection c. of Section 06.02 was revised to state: "Identify the inspection objectives and the criteria that were used to determine whether the licensee is in compliance."

Section 14.06, "Inspection Scopes", subsection b. of the proposed IMC 0611 (ADAMS accession number [\(ML17150A030\)](#) requires for inspection activities performed to identify the report section and inspection procedure (IP) name, sample type, the number of samples performed, and the inspection scope. Identify what was inspected for each listed item reviewed or sample completed. Be specific, so that future inspections can be informed. Include the following information for each listed item or sample as appropriate:

1. The equipment/space walked-down, document reviewed, or evolution observed to fulfill the sample requirement or complete the inspection activity.
2. Methods of inspection (e.g., a walk-down, in-office review, observation): If the method differs from the methods discussed in the inspection procedure.
3. Dates of inspection: If dates provide important context. For example: Surveillance test performance, post maintenance test, or fire protection walk-downs typically would have dates, while a maintenance rule or annual problem identification and resolution samples may not need dates.
4. Location of inspection: If a substantive portion of the inspection activity was conducted at a location other than the site (e.g., an off-site vendor review)

NCP-2017-014 provided an example of this requirement from a previously written Palisades Inspection Report (ADAMS Accession Number [ML140043A507](#)) that was placed into a streamlined version (ADAMS Accession Number [ML17277A354](#)) as follows:

*71111.15 - Operability Determinations and Functionality Assessments (2 Samples)*

*The inspectors evaluated the following operability determinations and functionality assessments:*

- (1) Emergency Diesel Generator Ventilation Fans on September 11, 2013*
- (2) Safety Injection Refueling Water Tank (SIRWT) Anchor Ring Cracking on November 11, 2013*



For the above example, the number of samples (two) is clearly documented as required by proposed IMC 0611 and satisfies Recommendation 8b of OIG-05-A6. Furthermore, documenting the inspections of the Emergency Diesel Generator Ventilation Fans and the SIWRT anchor ring cracking as required in Subsection 14.06b of proposed IMC 0611 satisfies recommendation 8b of OIG-05-A6 regarding what was inspected. For both the number of samples inspected and what was inspected, the changes implemented under CN-05-028, Subsection 06.02 are retained in proposed IMC 0611, Subsection 14.06b.

With regard to the method of completion, as documented in IMC 2515 Section 07.01

Appendix A contains a list of baseline inspection procedures and specifies the required frequency for their performance. The baseline inspection procedures must be completed at every plant at a prescribed interval. The expectation is that the regions should normally complete the nominal (average) number of inspection samples identified in the inspection procedure. The regions may vary the inspection samples within the ranges as indicated in each baseline inspection procedure, based on licensee performance and inspector insights. For the purposes of completing the baseline inspection program, the number of samples completed must be within the range of values specified in each inspection procedure.

Also documented in IMC 2515 08.04

the inspector is to perform the requirements most appropriate to the activity being inspected in order to declare an activity (sample) as being satisfactorily completed. The inspection procedure can be declared complete when the number of inspection activities (samples) within the range of sample values specified in each inspection procedure have been completed, thus meeting the objectives of the procedure.

IMC 2515 notes there are a range of activities to support sample completion. DIRS, in concert with a team that included Regional stakeholders, made a decision to reduce the volume of repetitive text in the associated inspection report by removing boilerplate information for each of the documented sample scopes. This boilerplate information had limited variation between inspections. This repeated verbiage copies the information provided in the inspection procedure(s) and repeats the information in the inspection report. Including repetitive boilerplate verbiage in inspection reports has limited value, increases the length of the inspection report, and reduces the overall readability of the report. In the proposed format, the reader is directed to the inspection procedure(s) to observe the guidance for inspection sample completion. Additionally, the Agency has appointed trained and knowledgeable inspectors at each site to perform inspections. The Agency has empowered the inspector with the ability to perform inspections to support sample completion. When the Inspector states that the sample is complete in accordance with the associated inspection procedure, the Inspector is validating that the associated inspection is within the guidance of the inspection procedure. If the Inspector completes a sample using a method outside of what is documented in the associated inspection procedure, then the Inspector, per IMC 0611, must specifically document what was done. For the sake of transparency, the inspector documents what was inspected, the location of inspection, and the date. The proposed inspection report directs the reader to the associated inspection procedure, which documents the requirements and associated guidance on how the sample was completed. By reducing the boilerplate inspection scopes for the associated inspection samples, the inspection report focuses the reader on the requirement completion of

the associated inspection procedures thereby increasing readability. Furthermore, transparency is maintained by directing the reader to the inspection procedure instead of restating information in the inspection report. In the case where there are multiple methods for completion of the sample, DIRS acknowledges that there is a potential reduction of transparency regarding what specific inspection was completed. In the case of inspection procedures such as 71111.07 where there are multiple methods for completion, as long as one of those methods were completed, the inspector is validating that the sample is complete in accordance with the requirements and guidance of the inspection procedure. However, in response to this concern, IMC 0611 was revised to document which method was chosen, if a range of methods is presented in the IP, to provide a record, which could be used to better inform subsequent inspections.

With respect to the concern whether the changes in CN-05-028 and the commitment to satisfy recommendation 8b of OIG-05-A6 were retained in proposed IMC 0611, about identifying the inspection objectives and the criteria used to determine whether the licensee is in compliance, proposed IMC 0611 does not specifically include this statement. This requirement is covered under the generic scope statement in subsection 14.06a, indicating by reference that “inspections were conducted using the appropriate portions of the inspection procedures (IPs) in effect at the beginning of the inspection unless otherwise noted.” IMC 0040, “Preparing, Revising and Issuing Documents for the NRC Inspection Manual,” (ADAMS Accession Number [ML16273A037](#)), Subsection 07.02, “Inspection Procedures” requires inspection procedures to include the objective of the inspection procedure (Subsection 07.02b) and the requirements for completing the procedure and the manner for achieving its objectives (Subsection 07.02c). The location of the inspection procedure is available through a hyperlink in the generic scope paragraph so a knowledgeable and informed reader can readily access the applicable inspection objectives and inspection requirements, rather than the author copying the inspection objectives and requirements directly into the inspection report. The intent of this approach is to reduce time for compiling inspection reports, to ensure the most current inspection requirement and objectives are used and to maintain inspection report consistency across the agency. It is expected that the inspectors meet all the inspection objectives and the most appropriate requirements listed in the Inspection Procedures.

In accordance with IMC 0611 Section 14.06 b.2, exceptions to not fully meeting an inspection requirement listed in an Inspection Procedure will be documented in the scope sentence for inspections conducted under each Inspection Procedure. For inspection objectives and the criteria used to determine whether the licensee is in compliance, the changes implemented under CN-05-028, subsection 06.02 are retained in proposed IMC 0611, Subsection 14.06a. As noted in Section A of NCP 2017-014, the question of how would duplication be prevented for the triennial inspections, this is resolved by the identification of “what was inspected” as noted in the sample(s). With regard to IP 71111.07, the inspector can observe in the sample what was inspected and inspect another heat exchanger or heat sink.

DIRS held a subsequent meeting with OIG staff to inform them of these proposed changes. DIRS will make changes to IMC 0611 if needed in response to any OIG concerns (none received to date).

## Concern 2:

SECY-16-0009, "Recommendations Resulting from the Integrated Prioritization and Re-Baselining of Agency Activities", was issued on January 31, 2016. Enclosure 1, "Re-baselining Recommendations" Item 103 (ADAMS Accession Number [ML16028A212](#)) of the SECY identified streamlining of the inspection report writing process (e.g., creating additional automated tools to expedite documentation of inspections) as one method to create efficiencies in the Reactor Oversight Process inspection report writing process. The time to implement the streamlined inspection report process was 18 months after the Commission decision of June of 2017. As discussed on page 1 of NCP-2017-014, the effort included developing a report generator to meet the implementation date. The development of the generator occurred concurrently with the development of the Replacement Reactor Program System (RRPS), however, since there was a contract in place covering only RRPS development, and the vendor was unable to complete both on schedule, NRC management decided to stop work on the report generator to focus completing on RRPS. A statement of work was developed and the contract for the report generator was awarded to the vendor in late 2017 with a schedule to commence the report generator development in January 2018. The staff recognized the need to have a formal procedure in place by 2018 so that the software vendor may use it as a basis for development and the program office began coordinating the processing of IMC 0611 accordingly.

On June 19, 2017, the NRR/DIRS/IRIB acting branch chief issued a memo (ADAMS Accession number [ML17165A071](#)) transmitting IMC 0611, "Power Reactor Inspection Reports," IMC 0611 Exhibit 1, "Standard Reactor Inspection Report Outline," and IMC 0611 Exhibit 2, "Inspection Report Documentation Matrix." for comment noting that these changes are **significant** and support the streamlined inspection report format and that the planned effective dates were to be determined. Stakeholders were provided with a 60-day (ADAMS Accession Number [ML17164A299](#)) period to review the documents and provide comments to the program owner for resolution. IMC 0040, Section 06.05 "Comment Resolution" specifies a 30-day comment period, however, the program office decided to double that period based on the significant changes to the inspection report writing process. The Office of Nuclear Security and Incident Response provided one comment and Region-III provided the remaining comments. Nineteen (61 percent) of the comments were accepted and resolved. Comments listed on pages 6 through 10 of NCP-2017 were not provided during the 60-day comment period and thus were not captured in the original formal comment resolution document for IMC 0611.

To socialize and communicate IMC 0611 to the stakeholders, NRR/DIRS/IRIB began conducting IMC 0611 roll-out meetings on October 19, 2017 to support programmatic implementation within each organization. During this time, the stakeholders began to provide additional comments, which the program office began capturing. The program office appended the current comment resolution form (ADAMS Accession number [ML17164A299](#)) to capture the comments listed on pages 6 through 10 of NCP-014-2017.

DIRS created slides (ADAMS Accession Number [ML17305B415](#)) to train inspectors on IMC 0611. These slides were provided to the applicable stakeholders for comment on November 9, 2017. It was noted on Page 10 of NCP-2017-014, that the training slides did not capture implementation/transitional changes from IMC 0612 to IMC 0611 and that additional slides would be provided to address this concern. On November 27, 2017, the Region 3 Technical Support Team leader provided five slides covering staff responsibilities of implementing IMC 0611. On November 30, 2017, the program office incorporated the slides into the presentation. The program office has attached the latest revision of IMC 0611 along with the comment resolution form for review as a part of the NCP.

Summary:

DIRS has carefully considered the concerns and has decided to proceed with the issuance of IMC 0611 and implementation for all inspections starting after January 1, 2018.